



2011 SENATE BILL 487

1 **AN ACT** *to repeal* 49.475 (1) (ag) and 49.475 (1) (am); *to amend* 49.475 (title),
2 49.475 (1) (c) (intro.), 49.475 (1) (c) 2., 49.475 (1) (d), 49.475 (1) (f) (intro.), 49.475
3 (1) (f) 2. and 49.475 (1) (f) 3.; and *to create* 49.475 (1) (f) 5., 49.475 (1) (f) 6.,
4 49.475 (1) (f) 7. and 49.475 (2m) of the statutes; **relating to:** the provision of
5 information regarding health care benefits provided to certain assistance
6 program recipients.

Analysis by the Legislative Reference Bureau

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 7 **SECTION 1.** 49.475 (title) of the statutes is amended to read:
8 **49.475 (title) Information about medical assistance program**
9 **beneficiaries.**
10 **SECTION 2.** 49.475 (1) (ag) of the statutes is repealed.

SENATE BILL 487**SECTION 3**

1 **SECTION 3.** 49.475 (1) (am) of the statutes is repealed.

2 **SECTION 4.** 49.475 (1) (c) (intro.) of the statutes is amended to read:

3 49.475 (1) (c) (intro.) “Pharmacy benefits management” means the
4 procurement of prescription drugs at a negotiated rate for dispensation in this state
5 to covered individuals; the administration or management of prescription drug
6 benefits provided by a covered entity for the benefit of covered individuals; or an
7 insurer or other 3rd party, including the performance of any of the following services
8 provided in the administration of pharmacy benefits:

9 **SECTION 5.** 49.475 (1) (c) 2. of the statutes is amended to read:

10 49.475 (1) (c) 2. Claims processing, retail network management, and or
11 payment of claims to pharmacies for prescription drugs dispensed to covered
12 individuals.

13 **SECTION 6.** 49.475 (1) (d) of the statutes is amended to read:

14 49.475 (1) (d) “Pharmacy benefits manager” means ~~a person~~ an entity that
15 performs pharmacy benefits management functions.

16 **SECTION 7.** 49.475 (1) (f) (intro.) of the statutes is amended to read:

17 49.475 (1) (f) (intro.) “Third party” means an entity that by statute, rule, or
18 contract, or agreement is responsible for payment of a claim for a health care item
19 or service. ~~“Third party” includes all, including any~~ of the following:

20 **SECTION 8.** 49.475 (1) (f) 2. of the statutes is amended to read:

21 49.475 (1) (f) 2. An employee benefit plan ~~described, as defined in 29 USC 1003~~
22 ~~(a) that is not exempt under 29 USC 1003 (b) and is not a multiple employer welfare~~
23 ~~arrangement~~ 1002 (3).

24 **SECTION 9.** 49.475 (1) (f) 3. of the statutes is amended to read:

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1 49.475 (1) (f) 3. A service benefit plan, as ~~specified in 42 USC 1396a (25) (I)~~
2 defined in 5 USC 8903 (1).

3 **SECTION 10.** 49.475 (1) (f) 5. of the statutes is created to read:

4 49.475 (1) (f) 5. A group health plan, as defined in 29 USC 1191b (a) (1),
5 including a self-insured plan.

6 **SECTION 11.** 49.475 (1) (f) 6. of the statutes is created to read:

7 49.475 (1) (f) 6. The issuer of a disability insurance policy.

8 **SECTION 12.** 49.475 (1) (f) 7. of the statutes is created to read:

9 49.475 (1) (f) 7. An entity that administers benefits on behalf of another
10 risk-bearing 3rd party, including a 3rd-party administrator, a fiscal intermediary,
11 or a managed care contractor.

12 **SECTION 13m.** 49.475 (2m) of the statutes is created to read:

13 49.475 (2m) LIMITS ON INFORMATION TO BE PROVIDED. (a) The information that
14 the department may request under this section is limited to the information specified
15 in sub. (2) (a) and does not include an employer's name unless that information is
16 necessary for the department or a provider to obtain 3rd-party payment for an item
17 or service.

18 (b) If information under sub. (2) (a) may be available from more than one source
19 that includes an employer operating a self-insured plan, the department shall seek
20 the information first from a 3rd-party administrator or other entity identified in sub.
21 (1) (f) 7. or pharmacy benefits manager before seeking the information from the
22 employer.

23 (c) Information obtained under this section may be used only for the purposes
24 specified in this section and in federal law on 3rd-party liability in Medical
25 Assistance programs.

